

REMARKS/ARGUMENTS

Reconsideration and allowance of the present application based on the following remarks are respectfully requested. Claims 9, 21, 31, and 44-53 have been cancelled. Claims 7, 19, 29, and 39 have been amended. Support for all amendments can be found throughout the specification. No new matter has been added. Upon entry of the above amendments, claims 7-8, 10-15, 18-20, 22-30, 32-43, as amended, will be pending.

Claims 7-15 and 18-53 have been rejected under 35 U.S.C. 103(a) as obvious over U.S. Patent 5,792,340 ("Freel") in view of U.S. Patent 5,858,213 ("Chomyn") and U.S. Patent 5,626,741 ("Mosby"). The amendments to the claims are believed to place them in condition for allowance. Specifically, the claims have been amended to specify that the feedstock is a bitumen feedstock. The cited references do not suggest a process for producing a vacuum gas oil (VGO) with a bitumen feedstock. One of ordinary skill in the art would recognize that bitumen (a material that is a solid or semi-solid in its natural state) differs from heavy oil. This is illustrated in the following excerpt of Table 1 from the pending application (which appears on page 31 of the pending application):

Differences Between Bitumen and Heavy Oil:

Properties		Bitumen	Heavy Oil
Viscosity	at 40°C. (cSt)	30380	6343
	at 60°C. (cSt)	1268	892.8
	at 80°C. (cSt)	593	243.4
Gravity API°		8.6	11.0

Note, here, that the viscosity of bitumen differs from the viscosity of heavy oil at all three measured temperatures (*i.e.*, at 40°C, at 60°C, and at 80°C). Moreover, please note that the API gravity of heavy oil differs from the API gravity of bitumen.

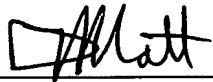
Furthermore, in view of the Examiner's concern that two processes employing the *same* feedstock and the *same* operating conditions will produce liquid products and subsequent VGO products having the *same* properties -- it must follow that because the inventive process (as defined by the pending claims, as amended) utilizes a *different* feedstock than the feedstocks suggested by the prior art, both the liquid product and the subsequent VGO product of the inventive process must have *different* properties.

Therefore, all objections and rejections having been addressed, it is respectfully submitted that the present application is in a condition for allowance and a Notice to that effect is earnestly solicited.

Should any issues remain unresolved, the Examiner is encouraged to contact the undersigned attorney for Applicants at the telephone number indicated below in order to expeditiously resolve any remaining issues.

Respectfully submitted,

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Date: September 15, 2006

WAI-2230576v1
890200 - 102011
Date Created: 09/13/06